

**CREDIT MONITORING FOR MINORS**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Aaron Osmond**

House Sponsor: Rich Cunningham

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**LONG TITLE****General Description:**

This bill modifies and enacts provisions of the Consumer Credit Protection Act relating to certain minors, incapacitated adults, and protected persons.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
  - ▶ upon request and in accordance with the provisions of this bill, requires a credit reporting agency to place a security freeze for:
    - an individual who is less than 16 years of age;
    - an incapacitated adult; or
    - a protected person;
  - ▶ provides a procedure by which an individual or an individual's representative may remove a security freeze;
- §→ [—→ ~~allows, under certain circumstances, a credit reporting agency to charge a reasonable fee for the placement or removal of a security freeze;~~ ←§**
- ▶ provides that the attorney general may enforce the provisions of this bill; and
  - ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

credit reports are produced; or

(7) a consumer reporting agency's database or file that consists of information that:

(a) concerns and is used for:

(i) criminal record information;

(ii) fraud prevention or detection;

(iii) personal loss history information; or

(iv) employment, tenant, or individual background screening; and

(b) is not used for credit granting purposes.

Section 8. Section **13-45-504** is enacted to read:

**13-45-504. Security freeze for protected consumer.**

(1) A consumer reporting agency shall place a security freeze for a protected consumer if:

(a) the consumer reporting agency receives a request from the protected consumer's representative for the placement of the security freeze; and

(b) the protected consumer's representative:

(i) submits the request described in Subsection (1)(a):

(A) to the address or other point of contact provided by the consumer reporting agency;

and

(B) in the manner specified by the consumer reporting agency; ~~§→ and ←§~~

(ii) submits to the consumer reporting agency:

(A) sufficient proof of identification of the protected consumer;

(B) sufficient proof of identification of the protected consumer's representative; and

(C) sufficient proof of authority to act on behalf of the protected consumer ~~§→ [; and] . ←§~~

~~§→ [(iii) if applicable, pays the consumer reporting agency a fee described in Subsection~~

~~13-45-506(2);] ←§~~

(2) If a consumer reporting agency does not have a file that pertains to a protected consumer when the consumer reporting agency receives a request described in Subsection (1), the consumer reporting agency shall create a record for the protected consumer.

(3) A consumer reporting agency shall place a security freeze for a protected consumer within 30 days after the day on which the consumer reporting agency receives a request described in Subsection (1).

(4) After a consumer reporting agency places a security freeze under this section, the consumer reporting agency may not release the protected consumer's credit report, any information derived from the protected consumer's credit report, or any record created for the protected consumer, unless the security freeze for the protected consumer is removed in accordance with Section 13-45-505.

(5) A security freeze that is placed in accordance with this section shall remain in effect until:

(a) the protected consumer's representative or the consumer who is subject to a protected consumer security freeze requests the consumer reporting agency remove the security freeze in accordance with Subsection 13-45-505(1); or

(b) the security freeze is removed in accordance with Subsection 13-45-505(3).

Section 9. Section 13-45-505 is enacted to read:

**13-45-505. Removal of security freeze for protected consumer.**

(1) To remove a security freeze that is placed under this part, the protected consumer's representative or the consumer who is subject to a protected consumer security freeze shall:

(a) submit a request for the removal of the security freeze to the consumer reporting agency:

(i) at the address or other point of contact provided by the consumer reporting agency;  
and

(ii) in the manner specified by the consumer reporting agency; \$→ and ←\$

(b) provide to the consumer reporting agency:

(i) in the case of a request by a protected consumer's representative:

(A) sufficient proof of identification of the protected consumer;

(B) sufficient proof of identification of the protected consumer's representative; and

(C) sufficient proof of authority to act on behalf of the protected consumer; or

(ii) in the case of a request by the consumer who is subject to a protected consumer security freeze:

(A) sufficient proof of identification of the consumer who is subject to a protected consumer security freeze; and

(B) proof that the consumer who is subject to a protected consumer security freeze is not a protected consumer \$→ [;and] : ←\$

338        ~~§→ [(c) if applicable, pay the consumer reporting agency a fee described in Subsection~~  
339 ~~13-45-506(2);] ←§~~

340        (2) Within 30 days after the day on which a consumer reporting agency receives a  
341 request under Subsection (1), the consumer reporting agency shall remove the security freeze.

342        (3) A consumer reporting agency may remove a security freeze for a protected  
343 consumer or delete a record of a protected consumer if the security freeze was placed or the  
344 record was created based on a material misrepresentation of fact by the protected consumer or  
345 the protected consumer's representative.

346        Section 10. Section 13-45-506 is enacted to read:

347        **13-45-506. Fees.**

348        ~~§→ [(1) Except as provided in Subsection (2), a]~~ A ~~←§~~ consumer reporting agency may not  
348a charge  
349 a fee for any service performed under this part.

350        ~~§→ [(2) A consumer reporting agency may charge a reasonable fee, which does not exceed~~  
351 ~~\$5, for each placement or removal of a security freeze under this part, unless:~~

352        ~~—— (a) the protected consumer's representative;~~

353        ~~—— (i) has obtained a police report that states the protected consumer is the alleged victim~~  
354 ~~of identity fraud; and~~

355        ~~—— (ii) provides a copy of the report to the consumer reporting agency; or~~

356        ~~—— (b) (i) the protected consumer is less than 16 years of age at the time the request is~~  
357 ~~submitted to the consumer reporting agency; and~~

358        ~~—— (ii) the consumer reporting agency has a file that pertains to the protected consumer.] ←§~~

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Legislative Review Note  
as of 1-6-15 3:05 PM

Office of Legislative Research and General Counsel